

affairs on Guam. We are very proud of this transplanted Guamanian and congratulate him on this prestigious award as well as his lifetime of service to Guam.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

SPEECH OF

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3675) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and for other purposes:

Mr. OBERSTAR. Mr. Chairman, I greatly regret the \$110 million cut in Amtrak capital funding for fiscal year 1997, from the \$230 million level for the current fiscal year.

It is clear that this Congress and this administration want Amtrak to be free of operating assistance by fiscal year 2002.

The budget resolution passed this year for fiscal year 1997 and the one passed last year put Amtrak on a glide path of operating support declining to zero. Our Transportation and Infrastructure Committee brought a bill to the House to reauthorize Amtrak last year, which passed by a vote of 406 to 4. This legislation also constructs a gradual phaseout of Amtrak's operating support by 2002. Amtrak's own business plan also eliminates the need for Federal support by 2002. In other words, with the funding plan in our budget resolution and passage of reform legislation, we have made a pact with Amtrak. We have told them to do what no other national passenger railroad in the world has been able to do: Be free of operating support. This is a major accomplishment and one that Congress should encourage. In exchange, we offered a structured funding phaseout and passage of cost saving legislation.

The fact is that from 1995 to 1997, Amtrak's funding levels are \$1.2 billion less than what they requested and what they said was necessary for operating self-sufficiency. We cannot expect them to continue to operate a national system with such deep cuts.

Instead, with this funding level for Amtrak, Congress has moved away from the blueprint envisioned in the budget resolution. Without adequate capital funds during this critical transition period, Amtrak cannot make the essential investments necessary to survive once Congress has provided it with its last dollar of operating support. Also, while the House did pass reauthorization legislation, the Senate has failed to do so. Therefore, Amtrak does not benefit yet from any of the cost savings contained in that bill.

It is clear, and we all agree, that Amtrak should be free of operating support and should have less dependence on Congress for its funding. However, without adequate capital funds now, Amtrak will forever be dependent on Congress to meet its operating deficits.

A railroad is a capital intensive enterprise. It's fair to say that Congress has kept Amtrak on a Slim-Fast capital investment diet for the better part of its 25-year existence. As a result, Amtrak has not been able to modernize its locomotive fleet by purchasing more reli-

able and fuel-efficient engines. Their maintenance shops date, in many cases, to the steam era and need to be upgraded. The electric wires that are used on the Northeast corridor are the same ones the Pennsylvania Railroad first strung in 1993. If we don't give Amtrak the ability to reinvest now, we will never get them to a legitimate point of self-sufficiency.

This is a pivotal time for a national passenger rail policy. It's like the old saying: "Pay me now or really pay me later." Should Amtrak become insolvent, the liability to the Federal Government is going to be a far greater cost to the taxpayers than giving Amtrak the funds needed to successfully transition to self-sufficiency.

Literally, it will cost more money to put Amtrak out of business than to keep it in business.

REGARDING THE PEOPLE'S REPUBLIC OF CHINA

SPEECH OF

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1996

Mr. POMEROY. Mr. Speaker, I rise today in opposition to House Resolution 461, a measure to revoke most-favored-nation [MFN] trade status for the People's Republic of China.

Mr. Speaker, I could not more strongly agree with the objectives of the sponsors of this resolution, but I disagree with the means they propose to achieve them. The vital United States interests at stake in our relationship with China are clear: to curb weapons proliferation, increase respect for human rights, protect our allies on Taiwan, promote fair trade practices, advance political reform, and reduce the United States trade deficit. However, revoking MFN, effectively terminating our economic relationship with China, advances none of these objectives and, in fact, seriously damages United States economic and security interests.

If the United States were to revoke MFN, the average tariff on Chinese imports would increase from 5 to 40 percent. The Chinese, of course, would respond in kind by erecting prohibitive tariffs on United States goods. The result would be not only a screeching, grinding halt to United States-China trade but also a deep freeze in Sino-American relations.

The choice facing the House today is whether to pursue United States interests in China through a policy of engagement or a policy of isolation. Our recent experience with Chinese behavior during a period of isolation from the world community should be instructive. Before the economic and diplomatic opening of the late 1970's, most of the current problems in the Sino-United States relationship were worse than they are today: the regime was more abusive of human rights, even less tolerant of dissent, more aggressive toward Taiwan and other neighbors, and more determined to oppose United States interests at every opportunity. The spotlight of international engagement has advanced, albeit haltingly, United States interests in China.

What are the consequences of revoking MFN? Without question, revoking MFN would damage the Chinese economy, but what effect would it have on our own economy? With regard to agriculture, I can tell you that this resolution of disapproval is one of the most im-

portant pieces of farm legislation that Congress will consider this year.

We must promote American agriculture through increasing world food demand and exports. China represents a perfect example of a growing market hungry for quality American food products. As the Chinese diet continues to improve they will demand high-value agricultural products like meats, fruits, and vegetables—commodities American producers are eager to export.

United States agricultural exports to China reached record levels again last year with nearly \$2.6 billion in total sales. The USDA projects 1996 exports to reach \$2.9 billion. Included in the 1995 export total is over \$500 million in wheat, a 200-percent increase over 1994. Agriculture exports not only benefit farmers but also support the schools, hospitals, and small businesses that are the backbone of rural communities in North Dakota and across the country.

The Congressional Research Service has estimated that without MFN and the ability to export wheat to China, wheat prices will fall by 23 cents per bushel by 1998. That price drop translates into a \$10,000 hit to the average North Dakota wheat farm. Once that market is lost American producers may never have the opportunity to reclaim it as other suppliers would certainly move in to fill the void. Why would we now want to shut off our farmers from the world's largest market? Disapproving MFN strikes at the heart of rural America and the American farmer.

Extending MFN to China serves the economic and security interests of the United States. I urge my colleagues to oppose the resolution of disapproval.

HONORING THE 50TH ANNIVERSARY OF THE SISTERS OF MERCY ON GUAM

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, July 8, 1996

Mr. UNDERWOOD. Mr. Speaker, with honor and appreciation, I commend the Sisters of Mercy of North Carolina in Guam on their 50th anniversary of dedicated and loving service to the people of Guam and the Northern Marianas. The renown of the Sisters of Mercy reaches beyond their reputation as teachers and school administrators on Guam, Saipan, and Rota. Today, their esteemed standing in their Mariana Islands can also be attributed to the quality of performance exemplified in their pastoral, family, youth, and health-care ministries.

The Catholic school system envisioned by His Excellency, the late Apollinaris W. Baumgartner, bishop of Guam, has flourished strikingly since its establishment in the years following World War II, and in these efforts to better the educational upbringing of Guam's children, the Sisters of Mercy have played a prominent role. Since the establishment of the Academy of Our Lady in 1994 by Sister Mary Inez, R.S.M.—my aunt Mary Essie Underwood—the list of Mercy-run schools has expanded to include Bishop Baumgartner Memorial School, in Santa Barbara School, St.